

STATE OF FLORIDA

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER  
CHARLES H. HILL  
DIRECTOR  
(850) 413-6900

## Public Service Commission

February 8, 1999

Mr. Martin S. Friedman, Esquire  
Rose, Sundstrom & Bentley, LLP  
2548 Blairstone Pines Drive  
Tallahassee, FL 32301

Re: Docket No. 981858-WS, Application for authority to transfer facilities of Rotonda West Utility Corporation and Certificates Nos. 565-W and 493-S in Charlotte County to AquaSource Utility, Inc.

Dear Mr. Friedman:

Attached is a copy of a letter from Mr. George D. Lentz received by the Division of Water and Wastewater on January 28, 1999. Also attached is a copy of my February 5, 1999 response. Please note that the base facility charges in the utility's existing tariffs do not match the monthly flat rate Mr. Lentz indicates he is charged. Would you please have the utility check into this matter?

Also, please note Mr. Lentz's suggestion that customers be allowed to file their monthly bills electronically. While an excellent customer service option, I'm not certain of the economic feasibility for all utilities. Would you discuss this matter with the utility as well?

Please file a formal response to the two issues posed by Mr. Lentz with the Commission on or before February 26, 1999. If you have any questions, contact Ms. Patricia Brady at 413-6686.

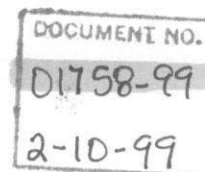
Sincerely,

  
bill lowe  
Assistance Director

bl:pb

Attachments

cc: Division of Water and Wastewater (Brady)  
Division of Legal Services (McRae, Crosby)  
Division of Records and Report



WAW

Director, Division of Records & Reporting,  
Florida Public Service Commission,  
2540 Shumard Oaks Boulevard,  
Tallahassee, Fl. 32399-0850

January 23, 1999

RECEIVED  
JAN 27 AM 10:14  
RECORDS AND REPORTING

~~JAN 27 AM 11:21~~

Dear Sirs:

Received two(2) notices concerning AquaSource Utilities, Inc. taking over Rotonda West Utilities water and sewage supply to my home in Rotonda West. According to our newspapers, this has already been done. I have no objections as long as they don't increase the rates as Rotonda just recently did such and we pay the highest in Southwest Florida as it was. I do feel it is very unjust ;when we go north to spend 4to5 months with our family that even with all facilities turned off, (we do not rent) and use no water or sewage lines we have to pay \$39.63 per month charge. Other utilities have vacation rates (Fl. Power & Light & the Phone companies ) .They maintain their lines year round, too. This should be checked into, as well as for the rates they claim are necessary ;they should be able to let one pay through their bank, electronicly. Thanking in advance for any consideration you can furnish me, I remain,

Sincerely,

George D. Lentz  
283 Mark Twain Lane,  
Rotonda West, Fl. 33947-2146

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG   1
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_
- WAS   1
- OTH \_\_\_\_\_

JAN 27 AM 8:52

RECEIVED

JAN 28 1999

Florida Public Service Commission  
Division of Water and Wastewater

DOCKET NO. 981858-WS

STATE OF FLORIDA

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DIVISION OF WATER & WASTEWATER  
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## Public Service Commission

February 5, 1999

Mr. George D. Lentz  
283 Mark Twain Lane  
Rotonda West, FL 33947-2146

Re: Docket No. 981858-WS, Application for authority to transfer facilities of Rotonda West Utility Corporation and Certificates Nos. 565-W and 493-S in Charlotte County to AquaSource Utility, Inc.

Dear Mr. Lentz:

Thank you for your letter dated January 23, 1999 in which you inquired about AquaSource Utility, Inc.'s (AquaSource's) acquisition of Rotonda West Utility Corporation (Rotonda West) and expressed concerns about certain utility policies. You are correct that the contract for sale of the utility has already occurred. The closing date was December 15, 1998. However, the transfer of the certificates that authorize Rotonda West to provide water and wastewater service to the public has not yet occurred, and will not occur, until the Commission makes a determination that the transfer is in the public interest. The utility has been required to renotify customers for the third time. Until the protest period for the third notice is over, it is not known whether the application will require a public hearing or not.

I cannot guarantee that AquaSource will never increase the utility rates. However, I can tell you that Rule 25-9-044(1), Florida Administrative Code, requires the buyer to adopt and use the rates, classification and regulations of the former owner until authorized to change by the Commission. This means that the buyer must adopt and use the utility's existing base facility charges as well. Currently, the utility's base facility charges for standard residential service on a 5/8" by 3/4" meter are \$17.61 for water service and \$14.31 for wastewater service. The combined total would be \$31.92. You indicate that you are being charged \$39.63, instead. My staff will check with the utility to verify what rate you are currently being charged and why. I will inform you of the result as soon as it is known.

While it may turn out that you have been charged the wrong rate, the Commission does authorize the water and wastewater utilities it regulates to charge base facility charges when service is not being used. Even though both the electric and water industries maintain their lines year round, electricity is generated by man-made facilities and only produced upon demand. Water is not man-

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Internet E-mail: [contact@psc.state.fl.us](mailto:contact@psc.state.fl.us)

Mr. George D. Lentz

Page 2

February 5, 1999

made and must be carefully monitored and tested on a daily basis regardless of the amount of usage. Wastewater facilities, as well, must be carefully monitored and maintained on an around-the-clock basis regardless of the amount of flow being treated. Even though you may not always be using Rotonda's water or wastewater services, the utility is nevertheless incurring costs on your behalf in order to be able to provide service when you need it.

As to your suggestion that customers be allowed to make monthly payments electronically, I think this is an excellent idea. Feasibility will probably be related to the size and administrative capabilities of each utility. However, AquaSource may have the requisite size and ability to establish an electronic system for its customers. I will ask my staff to pass on your suggestion to AquaSource when they are verifying your base facility charges.

Finally, staff's legal counsel will need to ensure your letter does not mean that you wish to pursue a hearing on the transfer of the utility to AquaSource. If so, one will be scheduled in which you must provide testimony, or other evidence, to support a protest of the transfer. If you wish to pursue an objection, and therefore a formal hearing, please contact staff's legal counsel, Samantha McRae at (850) 413-6202, by February 25, 1999. After February 25, 1999, if a response from you is not received, we will move forward in processing this transfer application without a hearing.

Meanwhile, if you have any other questions or concerns, please contact Ms. Patricia Brady at (850) 413-6686. Again, I will advise you when staff has confirmed your base facility charges.

Sincerely,



bill lowe  
Assistant Director

bl:plb

cc: Division of Legal Services (McRae, Crosby)  
Division of Records and Reporting.